**I.O.U.S.A – Questions** Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. National Debt in 2007:\_\_\_\_\_\_\_\_ GDP in 2007:\_\_\_\_\_\_\_\_
2. What percentage of our GDP did the National Debt make up (2007)? \_\_\_\_\_\_
3. Robert Bixby runs the *Concord Coalition*. What is it?
4. What 4 deficits do we currently have in the United States according to the documentary?

**Chapter 1: Budget Deficit**

1. Budget Deficit in:
   1. 1789 \_\_\_\_\_\_\_ b. 1835\_\_\_\_\_\_\_
2. When was the Federal Reserve created? \_\_\_\_\_\_\_\_
3. What important revenue builder was also passed the same year? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
4. During World War II what was the Nat’l debt? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ % of GDP?\_\_\_\_\_\_
5. What entitlement programs were created in the 60’s that increased the federal budget?
6. Through the use of Supply-side Economics or Reaganomics, taxes kept being cut, the deficit was never quite paid off, and the national budget increased. During this time of relative peace and prosperity, what did the national debt rise to? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
7. What are the only two ways to balance the budget?
8. How many budget surpluses have we had in the last 40 years? \_\_\_\_\_\_\_\_
9. What are Social Security surpluses used for?
10. Without those surpluses, what would the 2008 budget deficit REALLY be? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
11. How long before social security will be paying out more than it brings in? \_\_\_\_\_\_\_\_\_\_\_\_\_
12. When will Social Security be ADDING to our annual deficit instead of AIDING it?\_\_\_\_\_\_\_\_\_\_\_\_\_
13. In the long run, which 3 programs will increase rapidly, heavily cutting into the federal budget?

**Chapter 2: The Savings Deficit**

1. When was the last time American households had a negative savings rate prior to this film?\_\_\_\_\_\_\_\_\_
2. Who is Ron Paul speaking to?
3. What is Paul upset about?
4. What are the two goals of the Federal Reserve?
5. What is the term used when the economy isn’t growing AND inflation is occurring?
6. How can the Fed respond to this?
7. Too much credit for too long can create?

**Chapter 3: Trade Deficit**

1. What is a trade deficit?
2. Who has the largest trade surplus in the world?
3. Who has the largest trade deficit?
4. What is “pseudo trade”?
5. How does the government raise money to pay debts?

**Chapter 4: Leadership Deficit**

1. Where is the debt clock currently located?
2. How did President Bush respond to the inquiry about the possibility of a recession?
3. How much did the debt increase from 2000 to 2004?
4. Would ridding the budget of earmarks, tax cuts, and the war in Iraq solve our financial problem according to the documentary? Explain.

**Research Prompt:**This film is a bit dated. Discuss the current fiscal condition of the United States of America. Have we solved the problems presented in the film or have they worsened? Explain. Additionally, what do you feel should be done in the future to tackle these issues.